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Authority

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9 IN THE UNITED STATES DISTRICT COURT
10 FOR THE EASTERN DISTRICT OF CALIFORNIA
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13 **CALIFORNIA HIGH-SPEED RAIL**
14 **AUTHORITY,**

Plaintiff,

15
16 v.

17 **UNITED STATES DEPARTMENT OF**
TRANSPORTATION; SEAN P. DUFFY, in
18 his official capacity as Secretary of the
Department of Transportation; **THE**
19 **FEDERAL RAILROAD**
ADMINISTRATION; DREW FEELEY, in
20 his official capacity as Acting Administrator of
the Federal Railroad Administration,
21

Defendants.
22

Case No. 25-cv-02004-DAD-CKD

**PLAINTIFF CALIFORNIA HIGH-
SPEED RAIL AUTHORITY'S
OPPOSITION TO DEFENDANTS'
ADMINISTRATIVE MOTION FOR A
STAY OF CERTAIN DEADLINES IN
LIGHT OF LAPSE IN
APPROPRIATIONS (ECF No. 21.)**

Judge: Hon. Dale A. Drozd

1 1. Plaintiff California High-Speed Rail Authority (“Plaintiff” or the “Authority”)
 2 submits this opposition to Defendants’ Administrative Motion for a Stay (ECF No. 21).
 3 Defendants’ stay motion extends only to Plaintiff’s pending motion for a preliminary injunction
 4 (ECF No. 15). Defendants do not seek a stay of any other deadlines in the case, including, most
 5 notably, their pending motion to dismiss. While the Authority is sympathetic to the difficulties of
 6 operating during a government shutdown, allowing Defendants to pick and choose which aspects
 7 of this litigation should proceed, and which should not, would be blatantly unfair. Far more
 8 concerning, staying the preliminary injunction motion would expose the Authority to irreparable
 9 harm. The motion should therefore be denied.

10 2. On October 10, 2025, Plaintiff filed a Motion for Preliminary Injunction, seeking
 11 to enjoin defendants from awarding, obligating, or transferring any portion of the grant funds at
 12 issue in this case to other recipient(s) during the pendency of this lawsuit (the “PI Motion”). ECF
 13 No. 15. As explained in the PI Motion, a preliminary injunction is necessary to prevent the
 14 irreparable harm that will occur if the Federal Railroad Administration (“FRA”) re-obligates the
 15 grant funds at issue before Plaintiff’s claims can be heard, which would render the case moot as
 16 to the funds transferred. *See id.* at 21-22. This irreparable harm is imminent because FRA has
 17 issued a Notice of Funding Opportunity (“NOFO”) seeking to re-obligate to other projects nearly
 18 \$2.4 billion of the funds that were previously obligated to the Authority. *Id.* at 4. ***Applications***
 19 ***for the NOFO are due by January 7, 2026, and FRA could act any time after that to award the***
 20 ***money to another project(s).*** *Id.* Plaintiff set the PI Motion for hearing on November 17, 2025,
 21 to enable the Court to act on the motion prior to January 7, 2026.¹ It is the same date set for the
 22 hearing on Defendants’ motion to dismiss.

23 3. Prior to filing the PI Motion, the Authority met and conferred with Defendants.
 24 The Authority offered to agree to the stay *provided that* Defendants would stipulate to maintain
 25 the status quo and not award any of the \$2.4 billion at issue to other recipients until after the
 26

27 _____
 28 ¹ Counsel for the parties have conflicts on December 1, 2025, and December 15, 2025, the
 only other dates on the Court’s calendar that the PI Motion could be heard before the January 7
 application window closes.

1 shutdown has concluded, the stay has been lifted, and Plaintiff's motion for preliminary
 2 injunction could be heard. Defendants refused. Decl. of Carter M. Jansen, ECF No. 16, ¶¶ 5, 6.

3 4. Defendants now seek to stay all deadlines associated with the PI Motion on the
 4 grounds that the Anti-Deficiency Act prohibits Defendants' attorneys from working on the matter
 5 during the current lapse in appropriations. But the January 7, 2026 NOFO application date
 6 remains, and there is legally nothing to prevent Defendants from re-obligating the funds to other
 7 projects immediately thereafter, rendering this action moot with respect to those funds. It is
 8 therefore critical that the Authority's PI Motion be decided before the NOFO application window
 9 closes.

10 5. Defendants have not sought to stay other deadlines in the case, including their
 11 pending motion to dismiss, so plainly their counsel is not entirely prohibited from working on this
 12 case. Rather, they claim that Plaintiff's PI Motion is not an "emergency" under the Anti-
 13 Deficiency Act because "the closure of the [NOFO] application window will be followed by an
 14 extensive, likely monthslong review process." ECF No. 21, ¶ 3. Defendants provide no
 15 declaration or other evidence supporting their claim that there will "likely" be a "monthslong
 16 review process." Moreover, nothing prevents Defendants from acting on those applications
 17 quickly, and this administration has shown itself capable of acting very quickly when it chooses
 18 to do so. If the NOFO application review and award process will truly take months, as
 19 Defendants claim, they should have had no objection to the Authority's proposed stipulation,
 20 which would have permitted Defendants to proceed with their application review process, so long
 21 as they deferred actually re-obligating funds until after the stay was lifted and the PI Motion had
 22 been decided. Decl. of Carter M. Jansen, ECF No. 16, ¶ 5.²

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 24
 25 ² Defendants also claim that Plaintiff's irreparable harm is not imminent because "the \$2.4
 26 billion in funds de-obligated from [Plaintiff] comprises less than half of the NOFO's over \$5
 27 billion in grant funding." ECF No. 21, ¶ 3. Defendants' point here is unclear. Plaintiff has no
 28 stake in the funds advertised in the NOFO other than the \$2.4 billion de-obligated from the
 Authority. Plaintiff does not seek injunctive relief with respect to any other funds in the NOFO,
 and Plaintiff's proposed stipulation did not involve those other funds. And absent injunctive
 relief, after January 7, 2026, Defendants will be free to re-obligate the \$2.4 billion de-obligated
 from the Authority, regardless of the NOFO's additional funds.

6. Courts have denied requests for stays based on the Anti-Deficiency Act under similar circumstances. *See Klamath-Siskiyou Wildlands Ctr. v. Grantham*, 2019 WL 7374626, at *1 (E.D. Cal. Jan. 4, 2019) (denying the government’s request for a stay due to the Anti-Deficiency Act because “[t]o extend the time Plaintiff waits for resolution, while continuing the Project at issue, allows irreversible action to continue which may result in irreparable harm to Plaintiff”); *Washington v. United States Dep’t of Educ.*, 2025 WL 2841595, at *1 (W.D. Wash. Oct. 7, 2025) (“[T]he damage that may result to Plaintiffs from granting a stay outweighs the hardship Defendants face in being required to go forward despite the lapse in appropriations” because “Plaintiffs request time-sensitive relief[.]”); *California v. U.S. Dep’t of Health & Hum. Servs.*, 2025 WL 2855230, at *2 (D. Mass. Oct. 8, 2025) (denying government’s motion for stay because “a stay would delay a determination of the merits of Plaintiffs’ Motion for a Preliminary Injunction while Defendants move forward with implementation of the law that Plaintiffs seek to enjoin”); *Roman Catholic Archbishop of Wash. v. Sebelius*, 2013 WL 5570185, at *1 (D.D.C. Oct. 3, 2013) (denying motion to stay because of “the irreparable harm alleged” by plaintiffs, the “time-sensitive” nature of the case, and the “defendants’ unwillingness to delay enforcement of the [law at issue]”); *United States v. US Airways Grp., Inc.*, 979 F. Supp. 2d 33, 34 (D.D.C. 2013) (denying motion for stay because an upcoming merger deadline necessitated a “speedy disposition” of the case).

Therefore, Plaintiff respectfully requests that the Court deny Defendants’ Administrative Motion for Stay and permit the PI Motion to proceed as scheduled.

1 Dated: October 15, 2025

Respectfully submitted,

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6 /s/ Sharon O'Grady
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